Technology Customer Council Meeting
Minutes of June 13, 2006

F i n a l

Present: Greg Wright, Steve Mosena, Leon Schwartz, Rich Jacobs, Jan Evans, Joel Lunde,
              Carl Martin, Keith Greiner, Larry Murphy, Marv Van Haaften

Absent: Margaret Thomson, Roberta Polzin

Guests: Laura Riordan, Judy Peters, John Gillispie, Jeff Nall, Kevin VandeWall, Greg
              Fay, Pat Deluhery, Lorrie Tritch, Julie Sterk, John Hove, Diane Van Zante
              (recorder)

1. **Call to Order** – Greg Wright, Chair, called the meeting to order. It was noted that a quorum
   of members was present.

2. **Review and Approve Minutes of April 11, 2006** – Greg Wright.
   Leon Schwartz moved approval of the April 11 minutes; Larry Murphy seconded the motion.
   An oral vote was taken, unanimously approving the minutes as written.

3. **Information Security Office (ISO) – FY 07 Utility Rate** – Greg Fay.
   At the April 11 meeting, the Council approved "The creation of a utility service for the ISO"
   for FY07 and "acceptance of an allocation formula based upon an FTE basis" with an overall
   budget of $248,000.

   The Department of Administrative Services did not receive sufficient appropriation to cover
   all of its requests, but being supportive of the ISO, did apply a portion of the appropriation to
   it. The funds covered ISO indirect costs, and the remainder went to help reduce the rate
   itself. The proposed monthly rate would be reduced from $0.95 to $0.87. The net effect
   would be to reduce the annual utility rate from $11.39 to $10.41 per employee per year. The
   spreadsheets have been updated to reflect the agency impact using the new rate. Council
   members expressed their appreciation for the reduction in FY07 rates.

   As noted in previous meeting minutes, Greg Fay was asked to compile performance
   measures for the ISO. What is the timeline for completing that? Greg has defined the
   timeline, but does not have a document yet. He hopes to have the document ready for the
   July council meeting.

   Steve Mosena made a motion to approve the new rate; Leon Schwartz seconded the motion.
   A point of clarification was made that at the previous meeting, the Council had not approved
   a specific rate, but rather a rate methodology. In light of the fact that some entities may
   choose not to participate in the ISO service offering, does the Council want to approve a
   specific rate that is based on full participation? Steve and Leon withdrew their motion.

Steve Mosena made a new motion to accept the rate methodology using the revised budget calculations resulting from the application of DAS' appropriation funds. Rich seconded the motion. An oral vote was taken, unanimously approving the motion. Steve Mosena suggested that any communication to agencies include an estimated impact statement.

4. **Information Security Office (ISO) – FY08 Utility Rate –** Greg Fay.
   The budget for FY08 has increased a bit. There are items included in the FY08 budget that weren't charged in FY07. Most of the budget is the same as FY07, with the exception of salaries and communication costs. The FY07 budget is $248,000; the FY08 budget is $285,000, which represents a 5.1% increase. The Chair asked council members how they wanted to disseminate the information to customers prior to the June 22 meeting. Rather than making individual notification to customers, the Council decided to utilize the existing 30 day comment period for all DAS rates. Is the method for calculating FY07 and FY08 rates the same? Yes. Is the denominator for calculating the ISO and Directory Services rates the same? Yes. A vote on the FY08 ISO rate will be conducted at the next meeting (June 22).

5. **Directory Services – FY08 Utility Rate –** Lorrie Tritch.
   Indirect costs are reflected differently in FY08 than in FY07 due to recent changes in ITE's account code structure. The divisor is the same as that used in FY07 and as the ISO. The FTE commitment has been reduced to 1.1. The amounts listed for hardware and licensing costs are now actual figures rather than estimates. The proposed rate for FY08 reflects a decrease from that of FY07, from 78 cents down to 68 cents per person. A vote on the FY08 Directory Services rate will be conducted at the next meeting (June 22).

   There was some discussion about utilizing a divisor comprised of current FTEs rather than a 5 quarter average. The Human Resources Enterprise Customer Council uses a 5 quarter average to set the rate, but uses the number of FTEs prior to the month of service when preparing the actual bill. Using a preliminary number of FTEs could impact federal programs. Does the Department of Management (DOM) have a preference? Joel Lunde (DOM) stated that he had no specific suggestions. Carl Martin favors using a more current number base. No motions were offered to change the existing divisor methodology.

6. **Other**
   Laura Riordan distributed a rate setting process timeline.

7. **Wrap-Up, Next Meeting Date –** Greg Wright.
   The next meeting is scheduled for June 22 at 3:00 p.m. at the Hoover Building in the fourth floor conference room. Due to what is expected to be a short meeting, council members decided they wanted to conduct the June 22 meeting by phone.

   There being no further business, the meeting adjourned at 1:47 p.m.